AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 1309

Introduced by Assembly Member Charles Calderon

February 23, 2007

An act to add Section 798.46 to the Civil Code, relating to mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

AB 1309, as amended, Charles Calderon. Mobilehomes: rent control. The Mobilehome Residency Law provides a comprehensive body of laws governing the terms and conditions of residency in mobilehome parks. That law provides for the establishment and observance of rules and regulations applicable to various aspects of mobilehome residences. That law also requires that a city, county, or city and county that administers a rent control measure to permit the management, as defined, to separately charge a homeowner for certain fees and costs imposed by a specified governmental entity on the space rented by the homeowner, and makes this provision applicable to fees and charges first imposed on or after January 1, 1995.

This bill would provide that it is the intent of the Legislature that a rent control ordinance, rule, regulation, or an initiative measure by a city, county, or city and county that affects mobilehome parks shall not be administered so as to jeopardize the financial viability of mobilehome parks.

This bill would permit the management of a mobilehome park to set the initial rent for a mobilehome space when there is a change in ownership of a mobilehome in the park, as specified. The bill would provide that after the initial rent is set pursuant to these provisions, an AB 1309 -2-

increase in the rent shall be subject to any rent increase regulations adopted by the local agency with jurisdiction over the mobilehome park. The bill would also make related legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

- (a) The availability of housing is a matter of vital statewide importance and attaining decent housing and a suitable living environment for every Californian is a priority of the highest order.
- (b) Attaining these goals requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.
- (c) Local and state government have a responsibility to use the powers vested in government to facilitate housing opportunities and protect the financial viability of safe and decent housing for Californians of all economic levels.
- (d) Leading academic and economic experts agree that rent controls cause reductions in the quality and quantity of housing, are inefficient governmental policies, fail to secure affordable housing, and damage some of the low-income renters these rent controls are designed to protect.
- (e) The Legislature recognizes the damaging effect of stringent rent controls by enacting provisions related to vacancy decontrol in 1987 and 1995. In order to implement vacancy decontrol, the Legislature prohibited commercial rent control and required all apartment rent control ordinances to permit owners to raise rents to market rates for new residents while allowing for the imposition of rent controls for the new tenancies.
- (f) Providing balanced incentives promotes the state's interest in preserving the number of mobilehomes.
- (g) Over 100 local governments in this state have rent control ordinances for spaces in mobilehome parks and of these, 20 percent recognize the positive, balanced effect of vacancy decontrol by including vacancy decontrol in their rent control ordinances.

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(h) The existing number of mobilehome parks is a vital component in the state's housing market and the lack of balance or limits on local mobilehome rent control ordinances jeopardizes the financial viability of parks and diminishes the quality and quantity of mobilehome park spaces available for rent.

- SEC. 2. Section 798.46 is added to the Civil Code, to read:
- 798.46. (a) Notwithstanding any contrary provision of law, if a tenancy is voluntarily terminated by the resident or terminated pursuant to Article 6 (commencing with Section 798.55), the management may set the initial rent for a mobilehome space when there is a change in ownership of the mobilehome on that space.
- (b) After the initial rent is set pursuant to subdivision (a), an increase in the rent shall be subject to any rent increase regulations adopted by the local agency with jurisdiction over the mobilehome park.
- (c) This section shall not apply to a change in ownership due to the death of a mobilehome owner when the deceased tenant's spouse takes over the ownership and occupancy of the mobilehome.

SECTION 1. Section 798.46 is added to the Civil Code, to read:

798.46. It is the intent of the Legislature that a rent control ordinance, rule, regulation, or an initiative measure by a city, county, or city and county that affects mobilehome parks shall not be administered so as to jeopardize the financial viability of mobilehome parks.